GOVERNMENT OF INDIA
COMMERCE AND INDUSTRY
LOK SABHA

UNSTARRED QUESTION NO:2056
ANSWERED ON:04.08.2000
GROUPS OF MINISTERS FOR FDI
PUTTASWAMY GOWDA

Will the Minister of COMMERCE AND INDUSTRY be pleased to state:

(a) whether the Group of ministers has been set up recently to assess the achievements of Foreign Direct Investment and suggest further steps to increase the Foreign Direct Investment in the country;

(b) if so, the details thereof;

(c) the details of steps taken so far by the Government to increase the Foreign Direct Investment in the country; and

(d) the sectors in which FDI is largest?

Answer

THE MINISTER OF STATE IN THE MINISTRY OF COMMERCE & INDUSTRY (DR. RAMAN SINGH)

(a) &(b) : Yes, Sir. A Group of Ministers has been constituted to review the sectoral policies, sectoral equity caps and decide necessary changes in the existing foreign direct investment (FDI) regime as also for future.The said review by the above mentioned Group of Minister is envisaged as a continuous process.

(c) : Government has put in place a liberal Foreign Direct Investment (FDI) policy and is constantly reviewing this policy with the objective of attracting more FDI into the country.Government has recently placed all activities except a specified list under the automatic route for FDI, and investments by Non-Resident Indians and Overseas Corporate BodiesGovernment has also set up the Foreign Investment Implementation authority (FIIA) with the objective of providing a single point interface between foreign investors and the Government machinery both at the Centre and the State level.The short term objective of this Authority is to remove procedural delays in the setting up of projects. The longer term objective is to create an atmosphere congenial to Foreign Direct Investment.